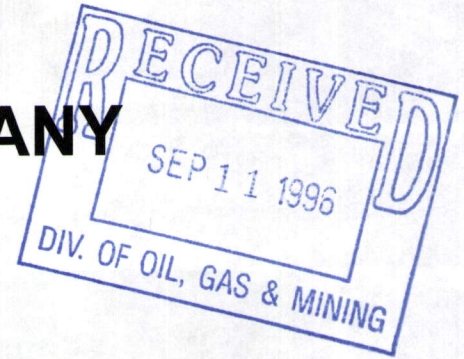


mine file

JUMBO MINING COMPANY

6305 Fern Spring Cove
Austin, Texas 78730
512-346-4537 (Ph.)
512-346-3188 (Fax)



September 9, 1996
File: DOG09096

Mr. James W. Carter
Director
Division of Oil, Gas and Mining
Department of Natural Resources
State of Utah

Certified Mail:P 888 035 183

Tel: 801-538-5286
Fax: 801-359-3940

Re: August 9, 1996 Division Directive to Commence Reclamation, Jumbo Mining Company, Drum Mine, M/027/007 Millard County, Utah.

Dear Mr. Carter:

In response to your letter dated August 16, 1996, thank you for clarifying the requirements for response to the August 9th Division Directive letter. The attorney who has been handling this matter for Jumbo, Mr. Z. L. Samay, Esq., has been out of the country and his absence has delayed our response.

While we regret that we were unable to get Mr. Braxton to rescind the Directive, as a result of our meetings with Mr. Braxton and his staff on August 15th and 16th, we believe that we have clarified several important factors which were either not considered, or if considered, were misunderstood by the Agencies involved, prior to August 9th, when the Division Directive was issued.

As discussed with your staff we do not believe that reclamation at this time is appropriate. Accordingly, we do not now intend to commence reclamation at the Drum Mine site.

In addition, as requested by your staff, by this letter we are formally requesting that we be copied on all new file matters pertaining to the Drum Mine, Jumbo Mining Company, and/or Asoma (Utah), Inc., on a weekly basis. Please let us know what the charges might be for this assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "E. B. King". The signature is fluid and cursive, with the first name "E" and last name "King" being the most prominent parts.

President

cc: ZL Samay, Esq.
WE Mooz, Esq.
Larry Jensen, Esq.
D Hartshorn, Drum Mine